

LEGISLATIVE SERVICES AGENCY

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ADMINISTRATIVE RULE FISCAL IMPACT STATEMENT

PROPOSED RULE: 97-212

DATE PREPARED: Sept 22 97

STATE AGENCY: Bureau of Motor Vehicles

DATE RECEIVED: Aug 11 97

FISCAL ANALYST: Jim Sperlik

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Digest of Proposed Rule: This proposed rule amends 140 IAC 8-3 to adjust service charges to be deposited in the State License Branch Fund to cover operating expenses of license branches operated by the Bureau of Motor Vehicles Commission and to make technical corrections changing certain references therein from "fees" or "service fees" to "service charges" and other non-substantive modifications. It adds 140 IAC 8-4 to increase fees for the issuance of certain permits and licenses to operate a motor vehicle, vehicle and watercraft registrations, and vehicle and watercraft certificates of title for deposit of revenues collected as a result of such fee increases in the Crossroads 2000 Fund as authorized by P.L. 60-1997. The rule is effective January 1, 1998. The affected code cites are: IC 9-14-2-2, IC 9-16-3-2, IC 9-29-1-2, IC 9-29-3-19, IC 9-29-3-22, and IC 9-29-3-23.

Governmental Entities: Bureau of Motor Vehicles; Bureau of Motor Vehicles Commission; Department of Transportation.

The proposed rule increases various fees administered and collected by the Bureau of Motor Vehicles (BMV) and the Bureau of Motor Vehicles Commission (BMVC). The rule provides that the increase in the service charges are to be deposited in the State License Branch Fund. The rule also provides that the increase in some of the fees will be deposited the Crossroads 2000 Fund, created by P.L. 260-1997 to be used for the purpose of constructing or reconstructing state highways. The fund is administered by the Indiana Department of Transportation. For the service charges, the increase ranges from \$1 to \$5. The fee increases for the Crossroads 2000 Program range from \$1 to \$12.

Based on 1994, 1995, and 1996 transaction data provided by the BMV and BMVC and adjusted for increases between 1994 and 1996, the additional annual revenue for the Crossroads 2000 Program is estimated to be \$34.3 million and the increase in annual revenue for the BMVC is estimated to be \$13.6 million. These estimates would represent increases for 1998. Specific revenue increases will depend upon the number of transactions which occur. The funds affected are the **Crossroads 2000 Fund** and the **State License Branch Fund**.

There are no unfunded mandates placed upon state government or local political subdivisions.

Regulated Entities: The proposed rule change will require the motoring public and those with watercraft to pay additional fees for the privilege of driving on Indiana highways and using Indiana waterways. This will impact individuals and businesses. According to the BMV and the BMVC, this proposed rule will increase 180 fees for the Crossroads 2000 Program and 193 service charges for the BMVC.

Information Sources: Jane Morrical, Director of Financial Services, Bureau of Motor Vehicles, 232-2822.